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AGN.	NO.	

## MOTION BY SUPERVISOR YVONNE BRATHWAITE BURKE

April 29, 2003

The U.S. Department of Housing and Urban Development (HUD), in its Fiscal Year 2004 budget proposal, is recommending that the Section 8 Housing Choice Voucher Program be converted from a locally administered program to a state administered Housing Assistance for Needy Families (HANF) block grant program.

The Housing Authority of the County of Los Angeles (Housing Authority) administers the Section 8 Program in the unincorporated areas of the County, 62 participating cities, and six cities under the Small Cities Program. In the last few years, the Housing Authority has increased its Section 8 lease-up rate to 100 percent, meaning that all 20,000 vouchers that it is allocated are being used. The Housing Authority was successful in reaching this goal by working closely at the local level to provide housing counseling services to voucher holders and to conduct outreach to prospective owners. Transfer of the Section 8 Program to a state administered program will jeopardize the local provision of services, which helps to ensure a successful program.

-M-O-R-E-

### MOTION BY SUPERVISOR YVONNE BRATHWAITE BURKE

	<u>MOTION</u>
MOLINA	
YAROSLAVSKY	
KNABE	
ANTONOVICH	
BURKE	

Nationally, 40 percent of state administered housing authorities, including California's Housing Authority, are rated as "troubled" by HUD. Conversely, only eight percent of local housing authorities are similarly troubled. Additionally, given the State's severe fiscal crisis, the State may not have the capacity to provide the necessary oversight for this program. HUD's proposal would transfer the Section 8 Program from a "standard" performing housing authority with a 100 percent lease-up rate to a "troubled" housing authority, which may result in lower lease-up rates and decreased housing opportunities in the County of Los Angeles.

Senators Dianne Feinstein and Barbara Boxer, and national groups such as the National Apartment Association and the National Association of Realtors, have written to HUD Secretary Mel Martinez expressing their concerns regarding the proposed change. Also, national housing organizations and associations, and local public housing authorities have all expressed similar concerns.

- I, THEREFORE, MOVE THAT THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES:
  - 1. Support continued local administration of the Section 8 Housing Choice Voucher Program, in conjunction with the Board of Supervisors' adopted federal priorities that support proposals which provide local governments with greater decision—making authority over the use of Federal funds, and oppose HUD's proposal to convert the Program from a locally administered program to a state HANF block grant program and instruct the County's lobbyist to actively work for its defeat.

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2. Recommend that the Board of Supervisors, upon presentation, sign and send a five-signature letter to HUD Secretary Mel Martinez, Governor Gray Davis, Speaker of the California Assembly Herb Wesson, and the Los Angeles County Congressional delegation opposing the state HANF block grant proposal.

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YBB:JO:jt3(HUD)

DAVID E. JANSSEN

# County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

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MICHAEL D. ANTONOVICH

April 28, 2003

To:

Supervisor Yvonne Brathwaite Burke, Chair

Supervisor Gloria Molina Supervisor Zev Yaroslavsky Supervisor Don Knabe

Supervisor Michael D. Antonovich

From:

David E. Janssen,

Chief Administrative Officer

MOTION TO SUPPORT CONTINUED LOCAL ADMINISTRATION OF THE SECTION 8 HOUSING CHOICE VOUCHER PROGRAM (ITEM NO. 27, AGENDA OF APRIL 29, 2003)

Agenda Item No. 27 is a motion by Supervisor Burke that the Board support the continued local administration of the Section 8 Housing Choice Voucher Program, consistent with Board-adopted priorities supporting proposals that provide governments with greater decision-making authority over the use of Federal funds, oppose the Department of Housing and Urban Development (HUD) proposal to convert the program into a state block grant, instruct the County's advocates to oppose the HUD proposal, and send a five-signature letter to the HUD Secretary, Governor, Assembly Speaker, and County's Congressional Delegation opposing the block grant proposal.

The Section 8 Housing Choice Voucher Program, which provides housing assistance to low-income persons, currently is administered by local housing authorities, such as the County's Housing Authority which serves unincorporated areas, 62 participating cities, and six cities under the Small Cities Program. HUD, in its Federal Fiscal Year (FFY) 2004 budget proposal, is recommending that the Section 8 Program be converted into a state-administered Housing for Needy Families (HANF) Block Grant. States would not be required to contract with local housing authorities to administer the program. Instead, they could opt to administer the program themselves or to contract with other entities.

Legislation has not yet been introduced to authorize the proposed HANF Block Grant, which is opposed by the National Association of Counties, and numerous housing groups, including the National Low-Income Housing Coalition, and National Association

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of Housing and Redevelopment Officials. These groups share a common concern that, over time, increasingly less Federal funding would be provided under the block grant.

The Community Development Commission recommends support for this motion because it would continue to provide your Board with decision-making authority over the use of Federal housing funds, and we concur. Support is consistent with the Federal Legislative Agenda adopted by your Board on February 4, 2003 which includes policies supporting proposals which provide local governments with greater decision-making over the use of Federal funds, provide local officials with greater flexibility over the administration and use of Section 8 housing vouchers, and provide for direct grants to large urban counties.

DEJ:GK MAL:MT:ib

c: Executive Officer, Board of Supervisors
County Counsel
Executive Director, Community Development Commission